

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Municipal Administration & Urban Development – Greater Visakhapatnam Municipal Corporation - Erection of modern traffic signals and surveillance cameras at 94 important junctions of the Visakhapatnam City on BOT model for effective monitoring of traffic & safety to serve the immediate requirements of Visakhapatnam City Traffic Police with advertisement structures at 53 junctions in the City - Work order to L1 firm i.e., M/s Stan Power, Hyderabad – Permission accorded – Orders – Issued.

MUNICIPAL ADMN & URBAN DEVELOPMENT (W1) DEPARTMENT

G.O.Rt.No. 1455

Dated:03/11/2012
Read the following:

- 1) From the Commissioner, Greater Visakhapatnam Municipal Corporation, Visakhapatnam, Letter No.11495/CE(GVMC)/ SE(P)/EE(PD-II), Dated : 18-01-2012.
- 2) Govt.Memo.No.2456/W1/2012-2, Dated : 15/03/2012
- 3) From the Commissioner, Greater Visakhapatnam Municipal Corporation, Letter RC.No.11495/CE(GVMC)SE(P-I)EE(PD-II), Dated:21-06-2012.
- 4) Govt. Memo.No.2456/W1/2012-4, Dated : 18.07.2012
- 5) From the Commissioner, Greater Visakhapatnam Municipal Corporation, Letter RC.No.11495/CE(GVMC)SE(P-I)EE(PD-II), Dated:24-08-2012.

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ORDER :

In the reference 1st read above, the Commissioner, Greater Visakhapatnam Municipal Corporation, has stated that, the Commissioner of Police, Visakhapatnam, had requested the Greater Visakhapatnam Municipal Corporation, to provide Traffic signals along with intelligent Video Surveillance System in 94 important junctions of the Visakhapatnam City, for regulation of traffic and for surveillance as well as security of the people and that in the Cities like Hyderabad, Warangal, Nizamabad, a system in BOT model is on implementation, in which a private agency has taken up the entire project including maintenance in lieu of leasing out of advertisement at allowed junctions for certain concession period.

2. The Commissioner, Greater Visakhapatnam Municipal Corporation, has further stated that, after studying the procedure followed and adopted under BOT system in the above said Cities, in coordination with City Traffic Police, has invited expression of interest (EOI) by advertising in the Local News Papers in August / September 2011. A pre-bid meeting was also conducted first time on 24-09-2011 and (8) agencies have participated in the meeting. The 2nd pre-bid meeting was held on 10-10-2011 and (4) agencies have attended the meeting in the presence of DCP (Traffic) and GVMC Officials. The concession period in the tender was proposed for 7 years initially. On the last date of tender i.e., 31-10-2011, four bidders have participated in the bidding, which are as follows:

- 1.M/s. Stan power, Hyderabad
- 2.M/s. Color-Ado Media, Hyderabad,
- 1.M/s Pavan Ads, Hyderabad.
- 4.M/s. Schneider Electric India Pvt. Ltd.

3. In this connection, the Commissioner, Greater Visakhapatnam Municipal Corporation, has submitted that, the criteria for selection of bidder, is based on the lowest number of junctions opted by the prospective bidder for advertisements. M/s Stan Power, Hyderabad stood as L1 quoting advertisement right at 53 junctions and M/s. Color-Ado Media stood as L2 quoting advertisement rights at 94 Junctions for a concession period of 7 years. As stated by the Commissioner, Greater Visakhapatnam Municipal Corporation, the broad scope of the developer is:

1. Installation of Modern Traffic Signal with intelligent Video surveillance system at 94 Junctions.
2. Control rooms and sub control rooms with all furnishing to the traffic police for controlling traffic.

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3. Engaging mobile teams for proper functioning of the signals and surveillance system during the 7 years agreement period including all electricity charges etc.
4. The bidder will pay the following to the Greater Visakhapatnam Municipal Corporation:
 1. Advertising at 53 junctions with gantries and cantilevers of 60% of rights of way, in which 10% will be given to Greater Visakhapatnam Municipal Corporation for Social purpose;
 2. The Advertisement Tax as per rules in force and as per the amendments of Government rules from time to time for a period 7 years.
5. The Commissioner, Greater Visakhapatnam Municipal Corporation has further stated that, the subject was placed before the Corporation at its meeting and the Corporation in its Resolution No.551/2011, Dated: 09-11-2011 has been accepted the proposal and lowest tender as well.
6. The Commissioner, GVMC has further stated that, the proposal is initiated at the request of City Police in the interest of City Traffic Safety, Security and Surveillance, which will mainly help 'City Police' in not only tracking traffic but also the movement of anti-social elements and enhance the surveillance. The 'Developer' will work with City Police and GVMC will only act as a facilitator. It is expected that GVMC likely to get about Rs.50.00 Lakhs as Revenue from the Developer for the advertisement at 53 junctions. A Tripartite Agreement between Greater Visakhapatnam Municipal Corporation, Traffic Police and the Developer is concluded in accordance with the agreements concluded by other cities duly incorporating all necessary conditions for entrustment of the work to the L1 Firm M/s. Stan Power, Hyderabad initially for a period of 7 years. He has further stated that, the Commissioner of Police, in his Letter, Dt.12.01.2012, has informed that due to lack of modern signals and surveillance cameras, the crimes rate and accident rate are increasing and causing lot of problems to the City Traffic. He has, therefore, requested the Greater Visakhapatnam Municipal Corporation, to proceed with the work in the interest of City Traffic and Surveillance.
7. The Commissioner, Greater Visakhapatnam Municipal Corporation has also stated that, the agency M/s. Stan Power, Hyderabad in their Letters, Dt.12-01-2012 and 17-01-2012, has agreed for inclusion of any other terms & Conditions/Clause in the agreement as suggested by the Government / Greater Visakhapatnam Municipal Corporation at any point of time, during the course of agreement period and has also given an undertaking that any short fall of revenue in the advertisement due to the erection of advertisement structure at to issue work order to the L1 firm i.e., M/s. Stan Power, Hyderabad in the interest of the city at large, for erection of modern traffic signals and surveillance cameras at 94 important junctions of the City on BOT model for effective monitoring of traffic & safety to serve the immediate requirements of city Traffic police with advertisement signals will be reimbursed by the agency to the Greater Visakhapatnam Municipal Corporation. The Commissioner GVMC has also submitted that, the changes/suggestion/direction, if any, ordered by the Government during the process would be incorporated as additional condition in the agreement.
8. The Commissioner, Greater Visakhapatnam Municipal Corporation, while furnishing the copies of Council Resolution and copies of Authorization Agreement among the Greater Visakhapatnam Municipal Corporation, Commissioner of Police, Visakhapatnam City and M/s Stan Power, Hyderabad and Expression of Interest for the work in question, has the Government to accord permission to give work order to L1 firm i.e., M/s Stan Power, Hyderabad, in the interest of the city at large, for erection of modern traffic signals and surveillance cameras at 94 important junctions of the City on BOT model for effective monitoring of traffic & safety to serve the immediate requirements of Visakhapatnam City Traffic Police, with advertisement structures at 53 junctions in Visakhapatnam City.
9. After careful examination of the matter, permission is hereby accorded, to give work order to L1 firm i.e., M/s Stan Power, Hyderabad, for erection of modern traffic signals and surveillance cameras at 94 important junctions of the City on BOT model for effective monitoring of traffic & safety to serve the immediate requirements of Visakhapatnam City Traffic Police, with advertisement structures at 53 junctions in Visakhapatnam City, subject to the following:

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1. Corporation is requested to calculate, with advertisements rights on how many traffic junctions, the developer is going to recover his cost and make a reasonable return and therefore, renegotiate with the developer and bring down the advertisement rights on number of traffic junctions.
2. The Corporation should ensure that the information contained in the Letter reference 5th read above and its enclosures furnished to the Government are reflected in the Authorization Agreement and other project documents before awarding the project.
3. The Corporation should ensure that the assumptions taken in the Feasibility Report are acceptable to them and satisfy themselves with the entire clause in the Authorization Agreement, vetted by the Law Department.
4. Follow the Draft PPP Rules 2012 Department of Economic Affairs (DEA), Ministry of Finance, Government of India in developing this project. Copy of the draft rules are available at: <http://www.pppinindia.com>
5. The Corporation should form a Project Monitoring Unit (PMU) to monitor the progress of the projects. The PMU may be set up as per the PMU guidelines issued by the Planning Commission. The PMU may, in addition to the functions mentioned in the PMU guidelines, update the PPP project information in the PPP website maintained by PPP Cell in the Finance Department. Copy of PMU guidelines are available at: http://infrastructure.gov.in/pdf/Guidelinses_Monitoring.pdf
6. Include /Modify/Add as indicated in the Authorization Agreement Vetted by the Law Department, enclosed to this order.
7. Restrict the tenure to 7 years, based on the feasibility report.
10. The Commissioner, Greater Visakhapatnam Municipal Corporation, Visakhapatnam, shall take further action, accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**B.SAM BOB
PRINCIPAL SECRETARY TO GOVERNMENT**

To
The Commissioner, Greater Visakhapatnam,
Municipal Corporation, Visakhapatnam.(we)

Copy to:

The O.S.D. to Minister (MA & UD).

The P.S. to Principal Secretary (UD).

SF/SC

//FORWARDED :: BY ORDER//

SECTION OFFICER